BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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IN THE MATTER OF U S WEST (COMMUNICATIONS, INC.'S MOTION FOR AN ALTERNATIVE PROCEDURE TO MANAGE (COMMUNICATION COMMUNICATION COM

CASE NO. USW-T-00-3

COMMISSION DECISION APPROVING REVISED QPAP LANGUAGE AND CLOSING CASE

As part of Qwest's Section 271 case and subsequent application with the Federal Communications Commission, Qwest developed a performance assurance plan (QPAP or Plan), the purpose of which is to ensure the Company will continue to meet the access and interconnection requirements of Section 271 following interLATA approval by the FCC. The QPAP provides specific standards for Qwest's delivery of services to competitor telecommunications companies and automatic penalties, identified as either Tier 1 or Tier 2 penalties, if the standards are not met. The FCC approved Qwest's entry into the interLATA market and reviewed the QPAP as part of Qwest's application. On January 22, 2003, Qwest filed a Motion for Approval of Revised QPAP Language relating to the payment of Tier 2 penalties. On February 9, 2003, the Commission issued a Notice of Modified Procedure, providing for a 14-day comment period, to process Qwest's Motion.

In the Commission's final decision on Qwest's compliance with the Section 271 requirements issued June 10, 2002, the Commission discussed several issues regarding the QPAP. The facilitator for the Section 271 collaborative case had recommended payment of Tier 2 payments only "if Qwest misses the performance measures in two out of three consecutive months and subsequently misses the measures again in the calendar year." Commission Final Decision p. 4. The Commission adopted the facilitator's recommendation. Staff noted that some states apparently were considering requiring Tier 2 payments for *each* month that the performance measures were missed, but Qwest asserted it had not made that change to its Tier 2 payments in any other state. Qwest also committed, however, "in the event that Qwest agrees to remove the phase-in of Tier 2 payments for the QPAP in any state that participated in the ROC multi-state QPAP process," to make the same change to the Idaho QPAP. Commission Final

Decision p. 4. Tier 2 penalties are paid to the Commission for administrative costs related to the QPAP.

Consistent with this background, Qwest states in its Motion that the QPAP currently incorporates the recommendations of the facilitator regarding payment of Tier 2 penalties. Qwest states it has subsequently agreed to modify the Tier 2 trigger requirements in the Plans of other ROC participating states. Accordingly, Qwest proposed to revise the Idaho QPAP for the payment of Tier 2 penalties, now to be calculated and paid monthly based on the number of performance measurements exceeding the relevant critical values in any single month. Qwest asked that the change be effective the first day of the month approved by the Commission, rather than a different day of the month, for ease of administration. During the comment period provided by the Commission, written comments were filed only by the Commission Staff, which recommended approval of Qwest's Motion.

The revisions to the QPAP proposed by Qwest are appropriate and should be approved. The Tier 2 penalties as revised only increase the potential liability for Qwest by obligating payment for each month the Tier 2 standards are not met. That change will provide greater incentive for Qwest to fully meet the performance measures contained in the QPAP.

The Commission approves the change to the QPAP proposed in Qwest's Motion. The Commission in its Notice stated that the change, if approved, would be effective as of February 1, 2003. Accordingly, the revised QPAP language regarding Tier 2 penalty payments is approved, effective February 1, 2003.

The Commission has also determined to close this docket, Case No. USW-T-00-3, which was opened to evaluate Qwest's compliance with Section 271 prior to Qwest filing its application with the FCC. Now that the FCC has granted Qwest's application for interLATA service authority, the Commission will be involved with compliance reviews and other issues in the future. New dockets will be opened in the future as new issues and cases arise.

DATED at Boise, Idaho this 4th day of March 2003.

ENNIS S. HANSEN, COMMISSIONER

ATTEST:

Commission Secretary

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